



ORIGINAL

September 15, 2009

Nancy Scott, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007-2927

Arizona Corporation Commission

DOCKETED

SEP 17 2009

Re: Granite Mountain Water Company, Inc.
Docket No. W-02467A-09-0333 and W-02467A-09-0334
Test Year Ended December 31, 2008

DOCKETED BY

Response to Second Letter of Deficiency

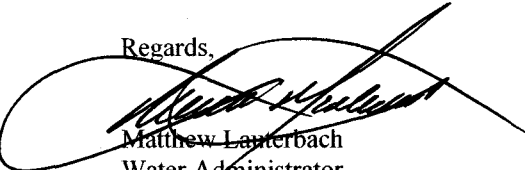
Dear Ms. Scott,

Regarding the second letter of deficiency received September 4, 2009 for Granite Mountain Water Company, you will find the company's response to your findings.

Attached is a summary listing of the responses and the specifically revised pages of the Rate Application requested regarding Docket No. W-02467A-09-0333 and W-02467A-09-0334.

I look forward to answering any other questions that you or the commission may have.

Regards,


Matthew Lanterbach
Water Administrator
Granite Mountain Water Company

CC: Docket Control Center (16 copies)
Paul D. Levie

RECEIVED
2009 SEP 17 A 11:04
ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

Physical Address
2465 Shane Drive
Prescott, AZ 86305

Mailing Address
PO Box 350
Chino Valley, AZ 86323

Phone (928) 717-2616
Fax (928) 717-2621
Email gmwc@leviegroupp.com

Page 2

- 1.1 The mathematical error on Page 15, utility plant in service, column A was corrected to show \$734,228 per revisions related to section 1.4 below.
- 1.2 The mathematical error on Page 15, utility plant in service, column C was corrected to show \$346,257 per revisions related to section 1.4 below.
- 1.3 The mathematical error on Page 21, balance sheet schedule, account number 101 utility plant in service was corrected to show \$734,228. Also, the mathematical error on the same page under total assets was corrected to show \$403,542.
- 1.4 After an audit of Page 22 adjustments were made to correct the deficiencies. The necessary adjustments were made as requested and revised page 13 (years 1994 to 2008), page 14, page 15, page 20, page 21, and page 22 are attached. The balance sheet "liabilities and capital" on page 22 now equal the "total assets" on page 21.

Data requests from engineering

- 1.5 Regarding the 21 percent water loss originally reported, that question was answered in the Response Letter to the First Letter of Deficiency, as shown below:

1.1 Please find attached the revisions to Page 18 of the original application regarding the water usage for the test year. The gallons pumped were recorded incorrectly and the revised numbers are correct, supported by the attached water meter read sheet for Well #3 and #4. The water usage also did not account for known water loss related to main water line breaks that occurred in the test year totaling 42,590 gallons. Furthermore, the company discovered additional non-billed meters that were not being read. Based on current usages these meters consumed approximately 1,320,600 gallons during the test year. The calculations shown on the attachment show the water loss for test year at 8.96%. As of the date of this letter, all known meters within the water system are being read monthly regardless of billing status.

A Water Loss Reduction Plan is not required, as the majority sources of the water losses has been identified and are now being metered and monitored. Furthermore, in Granite Mountain Water Company's response to Staff's 3rd Set of Data Requests, the need for a replacement well was addressed.

COMPANY NAME: Granite Mountain Water Company, Inc.	Test Year Ended: 2008
Name of System: Granite Mountain Water	ADEQ Public Water System Number: 13-150

Plant Additions and Retirements by Year

Acct. No.	Description	Year 1994		Year 1995	
		Additions	Retirements	Additions	Retirements
301	Organization	0	0	0	0
302	Franchises	0	0	0	0
303	Land & Land Rights	0	0	0	0
304	Structures & Improvements	0	0	0	0
307	Wells & Springs	0	0	206	0
311	Pumping Equipment	0	0	4,615	0
320	Water Treatment Equipment	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0
330	Distribution Reservoirs & Standpipes	0	0	0	0
330.1	Storage Tanks	0	0	0	0
330.2	Pressure Tanks	0	0	0	0
331	Transmission & Distrib. Mains	0	0	19,972	0
333	Services	0	0	0	0
334	Meters & Meter Installations	0	0	37	0
335	Hydrants	0	0	42	0
336	Backflow Prevention Devices	0	0	0	0
339	Other Plant & Misc. Equipment	0	0	0	0
340	Office Furniture & Equipment	0	0	0	0
340.1	Computers & Software	0	0	0	0
341	Transportation Equipment	0	0	0	0
343	Tools, Shop & Garage Equip.	0	0	0	0
344	Laboratory Equipment	0	0	0	0
345	Power Operated Equipment	0	0	0	0
346	Communication Equipment	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0
348	Other Tangible Plant	0	0	0	0
	TOTAL WATER PLANT	0	0	24,550	0

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

COMPANY NAME: Granite Mountain Water Company, Inc.	Test Year Ended: 2008
Name of System: Granite Mountain Water	ADEQ Public Water System Number: 13-150

Plant Additions and Retirements by Year

Acct. No.	Description	Year <u>1996</u>		Year <u>1997</u>	
		Additions	Retirements	Additions	Retirements
301	Organization	0	0	0	0
302	Franchises	0	0	0	0
303	Land & Land Rights	0	0	0	0
304	Structures & Improvements	0	0	0	0
307	Wells & Springs	27,463	0	0	0
311	Pumping Equipment	0	0	0	0
320	Water Treatment Equipment	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0
330	Distribution Reservoirs & Standpipes	0	0	0	0
330.1	Storage Tanks	0	0	0	0
330.2	Pressure Tanks	0	0	0	0
331	Transmission & Distrib. Mains	0	0	0	0
333	Services	16	0	32	0
334	Meters & Meter Installations	141	0	225	0
335	Hydrants	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0
339	Other Plant & Misc. Equipment	0	0	0	0
340	Office Furniture & Equipment	0	0	0	0
340.1	Computers & Software	0	0	0	0
341	Transportation Equipment	0	0	0	0
343	Tools, Shop & Garage Equip.	0	0	0	0
344	Laboratory Equipment	0	0	0	0
345	Power Operated Equipment	0	0	0	0
346	Communication Equipment	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0
348	Other Tangible Plant	0	0	0	0
	TOTAL WATER PLANT	27,620	0	257	0

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

COMPANY NAME: Granite Mountain Water Company, Inc.	Test Year Ended: 2008
Name of System: Granite Mountain Water	ADEQ Public Water System Number: 13-150

Plant Additions and Retirements by Year

Acct. No.	Description	Year 1998		Year 1999	
		Additions	Retirements	Additions	Retirements
301	Organization	0	0	0	0
302	Franchises	0	0	0	0
303	Land & Land Rights	0	0	0	0
304	Structures & Improvements	10,000	0	35,771	0
307	Wells & Springs	0	0	0	0
311	Pumping Equipment	40,000	0	0	0
320	Water Treatment Equipment	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0
330	Distribution Reservoirs & Standpipes	0	0	0	0
330.1	Storage Tanks	0	0	0	0
330.2	Pressure Tanks	0	0	0	0
331	Transmission & Distrib. Mains	75,000	0	51,590	0
333	Services	46,893	0	4,661	0
334	Meters & Meter Installations	387	0	412	0
335	Hydrants	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0
339	Other Plant & Misc. Equipment	10,705	0	19,443	0
340	Office Furniture & Equipment	0	0	0	0
340.1	Computers & Software	0	0	0	0
341	Transportation Equipment	0	0	0	0
343	Tools, Shop & Garage Equip.	0	0	0	0
344	Laboratory Equipment	0	0	0	0
345	Power Operated Equipment	5,000	0	0	0
346	Communication Equipment	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0
348	Other Tangible Plant	0	0	0	0
	TOTAL WATER PLANT	187,985	0	111,208	0

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

COMPANY NAME: Granite Mountain Water Company, Inc.	Test Year Ended: 2008
Name of System: Granite Mountain Water	ADEQ Public Water System Number: 13-150

Plant Additions and Retirements by Year

Acct. No.	Description	Year 2000		Year 2001	
		Additions	Retirements	Additions	Retirements
301	Organization	0	0	0	0
302	Franchises	0	0	0	0
303	Land & Land Rights	0	0	0	0
304	Structures & Improvements	0	0	0	0
307	Wells & Springs	0	0	0	0
311	Pumping Equipment	1,951	0	0	0
320	Water Treatment Equipment	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0
330	Distribution Reservoirs & Standpipes	0	0	0	0
330.1	Storage Tanks	0	0	0	0
330.2	Pressure Tanks	0	0	0	0
331	Transmission & Distrib. Mains	0	0	0	0
333	Services	0	0	0	0
334	Meters & Meter Installations	346	0	0	0
335	Hydrants	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0
339	Other Plant & Misc. Equipment	0	0	0	0
340	Office Furniture & Equipment	0	0	0	0
340.1	Computers & Software	0	0	0	0
341	Transportation Equipment	0	0	0	0
343	Tools, Shop & Garage Equip.	0	0	0	0
344	Laboratory Equipment	0	0	0	0
345	Power Operated Equipment	0	0	0	0
346	Communication Equipment	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0
348	Other Tangible Plant	0	0	0	0
	TOTAL WATER PLANT	2,297	0	0	0

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

COMPANY NAME: Granite Mountain Water Company, Inc.	Test Year Ended: 2008
Name of System: Granite Mountain Water	ADEQ Public Water System Number: 13-150

Plant Additions and Retirements by Year

Acct. No.	Description	Year2002		Year2003	
		Additions	Retirements	Additions	Retirements
301	Organization	0	0	0	0
302	Franchises	0	0	0	0
303	Land & Land Rights	0	0	0	0
304	Structures & Improvements	0	0	0	0
307	Wells & Springs	0	0	0	0
311	Pumping Equipment	3,000	0	0	0
320	Water Treatment Equipment	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0
330	Distribution Reservoirs & Standpipes	0	0	0	0
330.1	Storage Tanks	0	0	0	0
330.2	Pressure Tanks	0	0	0	0
331	Transmission & Distrib. Mains	0	0	0	0
333	Services	0	0	0	0
334	Meters & Meter Installations	0	0	0	0
335	Hydrants	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0
339	Other Plant & Misc. Equipment	0	0	0	0
340	Office Furniture & Equipment	0	0	0	0
340.1	Computers & Software	0	0	0	0
341	Transportation Equipment	0	0	0	0
343	Tools, Shop & Garage Equip.	0	0	0	0
344	Laboratory Equipment	0	0	0	0
345	Power Operated Equipment	0	0	0	0
346	Communication Equipment	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0
348	Other Tangible Plant	0	0	0	0
	TOTAL WATER PLANT	3,000	0	0	0

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

COMPANY NAME: Granite Mountain Water Company, Inc.	Test Year Ended: 2008
Name of System: Granite Mountain Water	ADEQ Public Water System Number: 13-150

Plant Additions and Retirements by Year

Acct. No.	Description	Year2004		Year2005	
		Additions	Retirements	Additions	Retirements
301	Organization	0	0	0	0
302	Franchises	0	0	0	0
303	Land & Land Rights	0	0	0	0
304	Structures & Improvements	0	0	0	0
307	Wells & Springs	0	0	10,804	0
311	Pumping Equipment	8,436	0	8,872	0
320	Water Treatment Equipment	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0
330	Distribution Reservoirs & Standpipes	0	0	0	0
330.1	Storage Tanks	0	0	0	0
330.2	Pressure Tanks	0	0	0	0
331	Transmission & Distrib. Mains	27,774	0	5,625	0
333	Services	0	0	0	0
334	Meters & Meter Installations	0	0	0	0
335	Hydrants	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0
339	Other Plant & Misc. Equipment	0	0	0	0
340	Office Furniture & Equipment	0	0	0	0
340.1	Computers & Software	0	0	0	0
341	Transportation Equipment	0	0	0	0
343	Tools, Shop & Garage Equip.	0	0	0	0
344	Laboratory Equipment	0	0	0	0
345	Power Operated Equipment	0	0	0	0
346	Communication Equipment	0	0	853	0
347	Miscellaneous Equipment	0	0	0	0
348	Other Tangible Plant	0	0	0	0
	TOTAL WATER PLANT	36,210	0	26,154	0

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

COMPANY NAME: Granite Mountain Water Company, Inc.	Test Year Ended: 2008
Name of System: Granite Mountain Water	ADEQ Public Water System Number: 13-150

Plant Additions and Retirements by Year

Acct. No.	Description	Year <u>2006</u>		Year <u>2007</u>	
		Additions	Retirements	Additions	Retirements
301	Organization	0	0	0	0
302	Franchises	0	0	0	0
303	Land & Land Rights	0	0	0	0
304	Structures & Improvements	0	0	0	0
307	Wells & Springs	0	0	0	0
311	Pumping Equipment	0	0	0	0
320	Water Treatment Equipment	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0
330	Distribution Reservoirs & Standpipes	0	0	0	0
330.1	Storage Tanks	0	0	0	0
330.2	Pressure Tanks	0	0	0	0
331	Transmission & Distrib. Mains	23,665	0	72,655	0
333	Services	0	0	0	0
334	Meters & Meter Installations	0	0	0	0
335	Hydrants	2,700	0	6,000	0
336	Backflow Prevention Devices	0	0	0	0
339	Other Plant & Misc. Equipment	0	0	0	0
340	Office Furniture & Equipment	0	0	0	0
340.1	Computers & Software	0	0	0	0
341	Transportation Equipment	0	0	0	0
343	Tools, Shop & Garage Equip.	0	0	0	0
344	Laboratory Equipment	0	0	0	0
345	Power Operated Equipment	0	0	0	0
346	Communication Equipment	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0
348	Other Tangible Plant	0	0	0	0
	TOTAL WATER PLANT	26,365	0	78,655	0

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

COMPANY NAME: Granite Mountain Water Company, Inc.	Test Year Ended: 2008
Name of System: Granite Mountain Water	ADEQ Public Water System Number: 13-150

Plant Additions and Retirements by Year

Acct. No.	Description	Year 2008		Year ____	
		Additions	Retirements	Additions	Retirements
301	Organization	0	0		
302	Franchises	0	0		
303	Land & Land Rights	0	0		
304	Structures & Improvements	0	0		
307	Wells & Springs	0	0		
311	Pumping Equipment	9,494	0		
320	Water Treatment Equipment	0	0		
320.1	Water Treatment Plants	0	0		
320.2	Solution Chemical Feeders	1,661	0		
330	Distribution Reservoirs & Standpipes	0	0		
330.1	Storage Tanks	0	0		
330.2	Pressure Tanks	0	0		
331	Transmission & Distrib. Mains	0	0		
333	Services	0	0		
334	Meters & Meter Installations	994	0		
335	Hydrants	0	0		
336	Backflow Prevention Devices	1,027	0		
339	Other Plant & Misc. Equipment	0	0		
340	Office Furniture & Equipment	0	0		
340.1	Computers & Software	0	0		
341	Transportation Equipment	0	0		
343	Tools, Shop & Garage Equip.	0	0		
344	Laboratory Equipment	0	0		
345	Power Operated Equipment	0	0		
346	Communication Equipment	0	0		
347	Miscellaneous Equipment	0	0		
348	Other Tangible Plant	0	0		
	TOTAL WATER PLANT	13,176	0		

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

COMPANY NAME: Granite Mountain Water Company, Inc.	Test Year Ended: 2008
Name of System: Granite Mountain Water	ADEQ Public Water System Number: 13-150

Plant Summary

Acct. No.	Description	Plant in Service Per Prior Decision	Total Additions	Total Retirements	Test Year End Total
		<i>Column A</i>	<i>Column B</i>	<i>Column C</i>	<i>Column D*</i>
301	Organization	110.13	0	0	110.13
302	Franchises	0	0	0	0
303	Land & Land Rights	0	0	0	0
304	Structures & Improvements	11607.71	45770.80	0	57378.51
307	Wells & Springs	13554.95	38471.79	0	52026.74
311	Pumping Equipment	27902.65	76367.05	0	104269.70
320	Water Treatment Equipment	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0
320.2	Solution Chemical Feeders	0	1660.57	0	1660.57
330	Distribution Reservoirs & Standpipes	7325.00	0	0	7325.00
330.1	Storage Tanks	0	0	0	0
330.2	Pressure Tanks	0	0	0	0
331	Transmission & Distrib. Mains	125218.06	276280.92	0	401498.98
333	Services	4250.00	51602.90	0	55852.90
334	Meters & Meter Installations	891.00	2542.99	0	3433.99
335	Hydrants	32.45	8741.87	0	8774.32
336	Backflow Prevention Devices	0	1026.51	0	1026.51
339	Other Plant & Misc. Equipment	4850.00	30147.50	0	34997.50
340	Office Furniture & Equipment	0	0	0	0
340.1	Computers & Software	0	0	0	0
341	Transportation Equipment	0	0	0	0
343	Tools, Shop & Garage Equip.	0	0	0	0
344	Laboratory Equipment	0	0	0	0
345	Power Operated Equipment	0	5000.00	0	5000.00
346	Communication Equipment	0	853.00	0	853.00
347	Miscellaneous Equipment	0	0	0	0
348	Other Tangible Plant	20.00	0	0	20.00
	TOTAL WATER PLANT	195761.95	538465.90	0	734227.85

Note: Please refer to the checklist on page 1 for the required attachments related to this schedule

*** Column D = Column A + Column B - Column C**

COMPANY NAME: Granite Mountain Water Company, Inc.	Test Year Ended: 2008
Name of System: Granite Mountain Water	ADEQ Public Water System Number: 13-150

UTILITY PLANT IN SERVICE

Acct No.	Description	Original Cost	Accumulated Depreciation	OCLD
		<i>Column A</i>	<i>Column B</i>	<i>Column C**</i>
301	Organization	110	101	9
302	Franchises	0	0	0
303	Land & Land Rights	0	N/A	0
304	Structures & Improvements	57,379	33,533	23,846
307	Wells & Springs	52,027	32,641	19,386
311	Pumping Equipment	104,270	56,535	47,735
320	Water Treatment Equipment	0	0	0
320.1	Water Treatment Plants	0	0	0
320.2	Solution Chemical Feeders	1,661	37	1,624
330	Distribution Reservoirs & Standpipes	7,325	6,977	348
330.1	Storage Tanks	0	0	0
330.2	Pressure Tanks	0	0	0
331	Transmission & Distrib. Mains	401,499	201,916	199,583
333	Services	55,852	31,292	24,560
334	Meters & Meter Installations	3,434	1,445	1,989
335	Hydrants	8,774	277	8,497
336	Backflow Prevention Devices	1,027	30	997
339	Other Plant & Misc. Equipment	34,998	19,870	15,128
340	Office Furniture & Equipment	0	0	0
340.1	Computers & Software	0	0	0
341	Transportation Equipment	0	0	0
343	Tools, Shop & Garage Equip.	0	0	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	5,000	2,729	2,271
346	Communication Equipment	853	570	283
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	20	19	1
	TOTAL WATER PLANT	* 734,228	* 387,972	346,257

* Must be the same as the amount reported on page 20

**Column C = Column A - Column B

COMPANY NAME: Granite Mountain Water Company, Inc.	Test Year Ended: 2008
Name of System: Granite Mountain Water	ADEQ Public Water System Number: 13-150

CALCULATION OF DEPRECIATION EXPENSE

Acct. No..	Description	Original Cost	Depreciation Percentage	Depreciation Expense
		<i>Column A</i>	<i>Column B</i>	<i>Column C*</i>
301	Organization	110	0	0
302	Franchises	0	0	0
303	Land & Land Rights	0	N/A	0
304	Structures & Improvements	57,379	5%	2,869
307	Wells & Springs	52,027	5%	2,602
311	Pumping Equipment	104,270	4.8%	5,017
320	Water Treatment Equipment	0	0	0
320.1	Water Treatment Plants	0	0	0
320.2	Solution Chemical Feeders	1,661	2.2%	37
330	Distribution Reservoirs & Standpipes	7,325	5%	366
330.1	Storage Tanks	0	0	0
330.2	Pressure Tanks	0	0	0
331	Transmission & Distrib. Mains	401,499	4.2%	16,923
333	Services	55,852	5%	2,793
334	Meters & Meter Installations	3,434	4.5%	155
335	Hydrants	8,774	2.5%	220
336	Backflow Prevention Devices	1,027	2.9%	30
339	Other Plant & Misc. Equipment	34,998	5%	1,750
340	Office Furniture & Equipment	0	0	0
340.1	Computers & Software	0	0	0
341	Transportation Equipment	0	0	0
343	Tools, Shop & Garage Equip.	0	0	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	5,000	5%	250
346	Communication Equipment	853	20%	171
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	20	5%	1
	TOTAL WATER PLANT	734,228		33,184

in column 2.

** Column C = Column A x Column B*

COMPANY NAME: Granite Mountain Water Company, Inc.	Test Year Ended: 2008
Name of System: Granite Mountain Water	ADEQ Public Water System Number: 13-150

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF TEST YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 84,089	\$ 12,164
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	9,430	16,278
146	Notes/Receivables from Associated Companies	52,179	26,216
151	Plant Material and Supplies	2,628	2,628
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 148,325	\$ 57,287
	FIXED ASSETS		
101	Utility Plant in Service	\$ 588,366	\$ 734,228 *
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation – Utility Plant ("AD-UP")	(327,196)	(\$ 387,972)**
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility ("AD-NU")	(27,544)	(\$ 0)
	TOTAL FIXED ASSETS	\$ 233,626	\$ 346,257
	TOTAL ASSETS	\$ 381,952	\$ 403,542

Note: Total Assets on this page should equal the sum of Total Liabilities and Total Capital on page 22. Also, numbers in parentheses should be subtracted. For example, Accounts 108 and 122 should be subtracted from Total Fixed Assets.

* Must equal page 15, original cost

** Must equal page 15, accumulated depreciation

COMPANY NAME: Granite Mountain Water Company, Inc.	Test Year Ended: 2008
Name of System: Granite Mountain Water	ADEQ Public Water System Number: 13-150

BALANCE SHEET (CONTINUED)

	LIABILITIES	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF TEST YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 76	\$ 0
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	15,885
235	Customer Deposits	1,090	1,695
236	Accrued Taxes	373	382
237	Accrued Interest	0	0
241	Miscellaneous Current and Accrued Liabilities	0	0
	TOTAL CURRENT LIABILITIES	\$ 1,539	\$ 17,962
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 0	\$ 7,793
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 36,826	\$ 36,774
252	Advances in Aid of Construction	19,767	\$ 14,710 *
255	Accumulated Deferred Investment Tax Credits	0	0
271	Gross Contributions in Aid of Construction	0	\$ 0 **
272	Less: Amortization of Contributions	0	(\$ 0)
281	Accumulated Deferred Income Tax	937	0
	TOTAL DEFERRED CREDITS	\$ 57,530	\$ 51,484
	TOTAL LIABILITIES	\$ 59,069	\$ 77,239
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 177,139	\$ 177,139
211	Paid in Capital in Excess of Par Value	337,222	337,222
215	Retained Earnings	(191,478)	(188,058)
218	Proprietary Capital (Sole Props and Partnerships)	0	0
	TOTAL CAPITAL	\$ 322,883	\$ 326,303
	TOTAL LIABILITIES AND CAPITAL	\$ 381,952	\$ 403,542

Note: Account 272 should be subtracted from Total Deferred Credits.

** Must equal page 24, Total Advances in Aid of Constructions*

*** Must equal page 25, Total Advances*